

MANAGED RISK MEDICAL INSURANCE BOARD
STATE LEGISLATIVE REPORT

July 11, 2013

First Extraordinary Session

Bill	Summary
~ABX1 1 (Pérez, Pan)	Medi-Cal: Eligibility
Version: A-6/14/2013 Sponsor: Author Status: Chaptered: 6/27/2013	<p>Would implement various provisions of the federal Patient Protection and Affordable Care Act (ACA) concerning Medi-Cal eligibility, including the use of modified adjusted gross income (MAGI). This bill would <u>expand Medi-Cal eligibility to adults with income up to 138 percent of the federal poverty level (FPL). The newly eligible population would be required to enroll in a Medi-Cal managed care plan, if available. The bill transitions persons currently enrolled in a Low-Income Health Program (LIHP) to Medi-Cal managed care plans. add benefits, services and coverage included in the essential health benefits package to the schedule of Medi-Cal benefits upon approval by the U.S. Secretary of Health and Human Services. This bill requires the Department of Health Care Services (DHCS) to verify the state residency of Medi-Cal applicants electronically and specifies how state residency may be established if electronic verification is unavailable.</u> In addition, this bill would change the criteria used to determine the end date for subscriber coverage in the Access for Infants and Mothers (AIM) program. Starting January 1, 2014, AIM subscribers would receive coverage through the end of the month containing the 60th day after the end of pregnancy. Currently, AIM coverage ends 60 days after the end of pregnancy. <u>This bill requires the Medi-Cal expansion to cease after one year if federal matching funds are reduced to 70 percent or less</u> SBX1 1 contains similar provisions and would become operative only if SBX1 1 is enacted and takes effect.</p>
ABX1 2 (Pan)	Health Care Coverage
Version: A- 4/1/2013 Sponsor: Author Status: CHAPTERED 5/9/2013	<p>Would implement various provisions of the ACA related to the health insurance market. The bill includes several details regarding open enrollment and special enrollment periods, prohibited conditions for enrollment, prohibitions on targeted solicitations and allowable rating characteristics <u>including limiting enrollment in individual health benefit plans to defined open and special enrollment periods.</u> The bill would require insurers to consider all enrollees in both its individual market plans and small group market plans to be within a single risk pool per market. This bill provides for 19 geographic rating areas which are identical to those enacted by last session's AB 1083. Holds that if certain portions of the ACA were to be repealed, related provisions of this bill would become inoperative 12 months after the date of the ACA repeal. This bill has been amended such that it only makes changes to the California Insurance Code. SBX1 2 contains similar provisions changing the California Health and Safety Code. This bill would become operative only if SBX1 2 is enacted and takes effect.</p>

* New since last Board meeting.

~ Significant amendments since last Board meeting described with struck out and underlined text.

Bill	Summary
SBX1 1 (Hernandez)	Medi-Cal: Eligibility
Version: A – 6/14/2013	<p>Would implement various provisions of the federal Patient Protection and Affordable Care Act (ACA) concerning Medi-Cal eligibility, including the use of modified adjusted gross income (MAGI) provisions to simplify Medi-Cal eligibility, enrollment and renewal processes. This bill would add benefits, services and coverage certain mental health and substance use disorder <u>services</u> included in the essential health benefits package to the schedule of Medi-Cal benefits upon approval by the U.S. Secretary of Health and Human Services, <u>and would expand Medi-Cal eligibility to certain former foster children.</u> This bill also requires the Department of Health Care Services (DHCS) to electronically verify the state residency of Medi-Cal applicants and <u>specifies how state residency may be established if electronic verification is unavailable.</u> In addition, this bill would change the criteria used to determine the end date for subscriber coverage in the Access for Infants and Mothers (AIM) program. Starting January 1, 2014, AIM subscribers would receive coverage through the end of the month containing the 60th day after the end of pregnancy. Currently, AIM coverage ends 60 days after the end of pregnancy. ABX1 1 contains similar provisions. This bill requires the Medi-Cal expansion to cease after one year if federal matching funds are reduced to 70 percent or less and would become operative only if ABX1 1 is enacted and takes effect.</p>
Sponsor: Author	
Status:	
Chaptered: 6/27/2013	
SBX1 2 (Hernandez)	Health Care Coverage
Version: 4/1/2013	<p>Would implement various provisions of the ACA related to the health insurance market. The bill includes several details regarding open enrollment and special enrollment periods, prohibited conditions for enrollment, prohibitions on targeted solicitations and allowable rating characteristics, <u>including limiting enrollment in individual health benefit plans to defined open and special enrollment periods.</u> The bill would require insurers to consider all enrollees in both its individual market plans and small group market plans to be within a single risk pool per market. This bill provides for 19 geographic rating areas which are identical to those enacted by last session's AB 1083. Holds that if certain portions of the ACA were to be repealed, related provisions of this bill would become inoperative 12 months after the date of the ACA repeal. This bill has been amended such that it only makes changes to the California Health and Safety Code. ABX1 2 contains similar provisions changing the California Insurance Code. This bill would become operative only if ABX1 2 is enacted and takes effect.</p>
Sponsor: Author	
Status:	
CHAPTERED 5/9/2013	
SBX1 3 (Hernandez)	Health Care Coverage: Bridge Plan
Version: A-6/27/2013	<p>Would create a bridge option allowing low-cost health coverage to be provided to individuals within the California Health Benefit Exchange (Covered California). Individuals eligible for Covered California with household income not more than 200 percent of the federal poverty level would be eligible to enroll in a Bridge Plan. The bill provides that individuals able to demonstrate that their Medi-Cal or Healthy Families Program (HFP) coverage was terminated in a manner to be defined by regulations also would be eligible to enroll in a Bridge Plan. Bridge Plans are designed to ease the transition for families who move in and out of eligibility for Medi-Cal based on income.</p>
Sponsor: Author	
Status:	
CHAPTERED 7/11/2013	

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Regular Session

Bill	Summary
~AB 18 (Pan)	Health Care Coverage: Pediatric Oral Care
Version: A- 6/24/2013	Provides that if a stand-alone dental plan offering pediatric dental benefits (one of the 10 essential health benefits required by the ACA) is available through Covered California's Small Business Health Options Program (SHOP) or the small group market outside Covered California, then a health plan without pediatric dental benefits but providing all other essential benefits may be offered through SHOP or the small group market. The bill requires stand-alone dental plans offered through SHOP or the small group market to offer the same health benefits for pediatric oral care covered under the dental plan available to subscribers of the Healthy Families Program in 2011-12. The bill would require stand-alone dental plans providing pediatric dental benefits through SHOP or the small group market to comply with minimum medical loss ratios. Would require a specialized health care service plan or health insurance policy that provides pediatric oral care benefits, whether bundled with a qualified health plan or standing alone, to comply with minimum medical loss ratios and provide an annual rebate.
Sponsor: California Dental Association	
Status: Assembly Appropriations	
AB 50 (Pan)	Health Care Coverage: Medi-Cal: Eligibility: Enrollment
Version: A-5/13/2013	Would require the Department of Health Care Services (DHCS) to establish a process to implement an ACA provision that allows hospitals to make a preliminary determination of a person's Medi-Cal eligibility. Would authorize the inclusion of optional demographic questions regarding sexual orientation and gender identity in the single application form under development for state health subsidy programs.
Sponsor: Author	
Status: Senate Health	
AB 209 (Pan)	Health Care Coverage: Medi-Cal: Eligibility: Enrollment
Version: A-4/9/2013	Would enact the Medi-Cal Managed Care Health Care Quality and Transparency Act of 2013. This bill would require the state Department of Health Care Services (DHCS) to develop and implement a quality improvement and monitoring plan. The plan would include, among other things, minimum and benchmark performance standards, sanctions and corrective actions and a public health care dashboard providing up-to-date information regarding the quality of Medi-Cal services. This bill would require DHCS to appoint an advisory committee composed of providers, plans, researchers, advocates and enrollees. This bill would also require DHCS to invite public comment and to hold quarterly public meetings regarding all Medi-Cal managed care services.
Sponsor: Author	
Status: Senate Third Reading	
~AB 411 (Pan)	Medi-Cal: Performance Measures
Version: A- 7/2/2013	Would require all Medi-Cal managed care plans to analyze their Healthcare Effectiveness Data and Information Set measures, or their External Accountability Set performance measure equivalent, by geographic region, race, ethnicity, primary language and by sexual orientation and gender identity and to implement strategies to reduce identified disparities. The analyses would be reported to DHCS annually and posted to the department's internet web site. The bill would also require all Medi-Cal managed care plans to link individual-level data to personal identifiers and to submit that data to the department annually. The data would be available for research purposes. <u>The bill would also require the department use the collected data to identify any disparities in care provided to all Medi-Cal managed care enrollees and notify Medi-Cal managed care plans of any disparities identified. Each Medi-Cal managed care plan would be required to determine whether an identified</u>
Sponsor: California Pan-Ethnic Health Network	
Status: Senate Appropriations	

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Bill	Summary
	<u>disparity in care is present among its enrollees and, if present, implement a quality improvement plan to address the disparity.</u>
AB 505 (Nazarian)	Medi-Cal: Managed Care: language Assistance Services
Version: A- 6/19/2013 Sponsor: California Pan-Ethnic Health Network Status: Senate Third Reading	Would require all Medi-Cal managed care plans contracting with DHCS to provide language assistance services, including interpretation and translation, to limited-English-proficient (LEP) enrollees when an LEP population meets defined threshold levels.
AB 617 (Nazarian)	California Health Benefit Exchange: Appeals
Version: A-4/15/2013 Sponsor: Western Center on Law and Poverty Status: Senate Appropriations	Would establish a new appeals process for Covered California and state health programs such as AIM and HFP.
*AB 1180 (Pan)	Health Care Coverage: Federally Eligible Defined Individuals: Conversion Or Continuation Of Coverage
Version: A- 6-20-2013 Sponsor: Author Status: Senate Appropriations	Would amend state law applicable to health care service plans and health insurers to reflect market changes enacted in the ACA. This bill also would sunset MRMIB's subsidy of Guaranteed Issue Pilot Program (GIP) plans for services received on or after January 1, 2014, and would shorten the reconciliation period.
AB 1263 (Pérez)	Medi-Cal: CommuniCal
Version: A- 6/25/2013 Sponsor: Author Status: Senate Appropriations	Would require DHCS to establish the Medi-Cal Patient-Centered Communication program (CommuniCal), to be administered by a third party administrator. CommuniCal would provide and reimburse for medical interpretation services to Medi-Cal beneficiaries who are limited English proficient (LEP). The bill would establish a certification process and registry of CommuniCal certified medical interpreters (CCMI) at the Department of Human Resources <u>DHCS</u> and grants CCMI collective bargaining rights with the state.
SB 20 (Hernández)	Health Care: Workforce Training
Version: A-2/14/2013 Sponsor: Author Status: Assembly Appropriations	Would provide that, once MRMIP is inoperative, all managed care administrative fine and penalty funds would be directed toward the Steven M. Thompson Physician Corps Loan Repayment Program. Currently any amount over \$1 million is directed to MRMIP. AB 860 would make conflicting changes to the same sections of law.
SB 22 (Beall)	Health Care Coverage: Mental Health Parity
Version: A- 7/2/2013 Sponsor: California Psychiatric Association	Would require health care service plans, their contractors and health insurers to submit an annual report to the Department of Managed Health Care (DMHC) or the Department of Insurance certifying compliance with state laws and the federal Mental Health Parity and Addiction Equity Act of 2008. The bill would require the reports to be published on the applicable department's

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Bill	Summary
Status: Assembly Appropriations	internet web site. The reports would include an analysis of the entity's compliance with the law and surveys of enrollees, individuals insured and providers.
SB 28 (Hernández)	Medi-Cal: Eligibility
Version: A-5/13/2013	Would require the Managed Risk Medical Insurance Board (MRMIB) to provide Covered California with the name, contact information and written and spoken language of MRMIP and California Pre-Existing Condition Insurance Plan (PCIP) subscribers and applicants. The bill would require Covered California to use the information to conduct outreach to MRMIP and PCIP subscribers and applicants.
Sponsor: Author	
Status: Assembly Health	
SB 239 (Hernández)	Medi-Cal: Hospital Quality Assurance Fee
Version: A-4/17/2013	Would impose a quality assurance fee on hospitals for the period of January 1, 2014, through December 31, 2015. Specifies the legislature's intent that the fee would only be imposed if, among other things, the funds would be used exclusively for supplemental Medi-Cal payments to hospitals, health care coverage for low-income children, and the direct costs of administering the program.
Sponsor: California Hospital Association	
Status: Assembly Health	
SB 639 (Hernandez)	Health Care Coverage
Version: A-5/28/2013	This bill would define the bronze, silver, gold and platinum levels of coverage for health care plans offered in individual and small group markets in a manner consistent with the ACA. The bill limits the deductible under a small employer health care plan to a maximum of \$2,000 for plans covering a single individual, or \$4,000 in all other cases. This limit would apply to plans offered, sold or renewed on or after January 1, 2014.
Sponsor: Health Access	
Status: Assembly Health	
SB 800 (Lara)	California Health Benefit Exchange: Outreach Services
Version: A-5/28/2013	Would require DHCS to provide Covered California with the name, contact information and written and spoken language of individuals who are not enrolled in Medi-Cal but are the parents or caretakers of children enrolled in the HFP or who were transitioned to Medi-Cal from the HFP.
Sponsor: Author	
Status: Assembly Health	

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2 Year Bills

Bill	Summary
AB 318 (Lounge)	Dental Care: Telehealth
Version: A-3/19/2013	Would declare that face-to-face contact between a health care provider and a patient is not required under the Medi-Cal program for "teledentistry" and that such services are subject to Medi-Cal billing and reimbursement policies. The bill would define terms related to teledentistry.
Sponsor: Author	
Status: Assembly -- 2 year bill	
AB 357 (Pan)	California Healthy Child Advisory Task Force
Version: I-2/14/2013	Would require the California Health and Human Services Agency to establish the California Healthy Child Advisory Task Force. The statewide task force would be charged with developing a vision for children's health in the state.
Sponsor: Author	
Status: Assembly -- 2 year bill	
AB 860 (Perea)	Medical School Scholarships
Version: A- 4/8/2013	Specifies that beginning January 1, 2014, \$600,000 shall be transferred each year to the Steven M. Thompson Medical School Scholarship Account within the Health Professions Education Fund from the Managed Care Administrative Fines and Penalties Fund. This represents the second allocation from the Managed Care Administrative Fines and Penalties Fund. The first \$1,000,000 in the fund is transferred each year to the Medically Underserved Account for Physicians in the Health Professions Education Fund. Any amount in the Administrative Fines and Penalties Fund in excess of \$1.6 million would continue to be directed to the Managed Risk Medical Insurance Program (MRMIP). SB20 would make conflicting changes to the same sections of law.
Sponsor: Author	
Status: Assembly -- 2 year bill	
SB 266 (Leiu)	Health Care Coverage: Out-of-Network Coverage
Version:A-4/24/2013	Specifies that a clinic or medical group shall not state it is within a plan or provider network unless all of the individual providers providing services at the clinic or within the medical group are within the plan network. The bill would require a medical group, clinic or hospital to recommend the patient contact his or her insurance carrier for information about providers who are within the patient's network prior to providing non-emergency services.
Sponsor: Author	
Status: Senate -- 2 year bill	
SB 703 (Hernandez)	Medi-Cal
Version: I-2/22/2013	This bill would state the intent of the Legislature to enact legislation that would make necessary improvements to the Medi-Cal program.
Sponsor: Author	
Status: Senate -- 2 year bill	

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Knox-Keene Bills

The following list includes bills that would change the requirements of health care service plans under the Knox-Keene Health Care Service Plan Act of 1975. Staff will continue to track the progress of these bills and provide additional summary information as needed.

Bill	Mandated Service or Benefit
AB 219 (Perea)	Health Care Coverage: Cancer Treatment Would prohibit health insurance policies from requiring an enrolled or insured individual to pay more than \$100 per filled prescription for orally-taken cancer treatment medication.
AB 460 (Ammiano)	Health Care Coverage: Infertility Would require that coverage for the treatment of infertility be offered and provided without discrimination on the basis of age, ancestry, color, disability, domestic partner status, gender, gender expression, gender identity, genetic information, marital status, national origin, race, religion, sex or sexual orientation.
AB 578 (Dickinson)	Health Care Would require the Department of Managed Health Care to publish a notice when receiving a health service plan licensure application and if comments are received hold at least one hearing prior to approving the application.
AB 889 (Frazier)	Health Care Coverage: Prescription Drugs Would prohibit health plans and insurers that restrict medications pursuant to step therapy or fail-first protocol from requiring a patient to try and fail on more than two medications before allowing the patient access to the medication or generically equivalent drug prescribed by the prescribing provider.
~AB 912 (Quirk-Silva)	Health Care Coverage: Fertility Preservation Would require that all <u>large group</u> health care service plans and health insurance policies issued after January 1, 2014 provide coverage for fertility preservation services when a medical treatment may cause infertility.
SB 126 (Steinberg)	Health Care Coverage: Pervasive Developmental Disorder Or Autism Would extend the provisions of SB 946 (2011), which provided coverage for behavioral health treatment for pervasive developmental disorder or autism, through July 1, 2019.
~SB 353 (Lieu)	Health Care Coverage: Language Assistance Would require a health care service plan that markets, <u>or allows others to market or advertise on its behalf</u> , in a language other than English to translate into that language specified documents such as welcome letters, summaries of benefits and various defined notices, even if that language does not meet the minimum enrollee thresholds established by law.
SB 746 (Leno)	Health Care Coverage: Premium Rates Would require health care service plans to file with the Department of Managed Health Care all specified rate information for rate increases that exceed the Consumer Price Index. The bill would also require a health plan that exclusively contracts with no more than two medical groups in the state to disclose specified information regarding the plan's overall annual claims cost trend.

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Bill	Mandated Service or Benefit
SB-799 (Calderon)	Health Care Coverage: Colorectal Cancer: Genetic Testing and Screening Would require health care service plans and health insurers to provide coverage for specific genetic testing to individuals under age 50 who have been diagnosed with colorectal cancer. The genetic test would check for hereditary nonpolyposis colorectal cancer (HNPCC). Coverage for HNPCC genetic testing would also be provided for children or siblings of individuals who tested positive for HNPCC.
2 Year Mandate Bills	
AB 299 (Holden)	Prescription Drug Benefits Would prohibit a health care plan providing prescription drug benefits from requiring an enrollee to use mail order pharmacy services for covered prescription drugs that are available at an in-network retail pharmacy.
AB 676 (Fox)	Health Care Coverage: Post-Discharge Care Needs Would prohibit health care service plans, health insurers, and the Department of Health Care Services or Medi-Cal managed care plans from causing a patient to remain hospitalized once an attending physician determines that inpatient hospital care is no longer necessary.
SB 189 (Monning)	Health Care Coverage: Wellness Programs Would define the parameters under which a wellness program may be offered in connection with a group health care plan. Among other provisions, this bill requires that wellness programs be designed to promote health or prevent disease and prohibits incentives that are linked to premiums or cost sharing or are conditioned on meeting specific health status outcomes.
SB 264 (Pavley)	Accountable Care Organizations Would require an accountable care organization to have a clinical laboratory testing advisory board that would recommend testing guidelines.
SB 320 (Beall)	Health Care Coverage: Acquired Brain Injury After January 1, 2014, would prohibit any health care service plan contract from denying coverage for treatment of an acquired brain injury at a properly licensed and accredited facility within the insurer's network even if the facility is not near the enrollee's home.
SB 780 (Jackson)	Health Care Coverage Would require health care service plans and health insurers operating preferred provider networks to give consumers notice when changes are made to a health care network. An example of the type of change requiring consumer notice is termination of a contract with a provider group or hospital. The bill would authorize enrollees to continue to receive previously authorized or scheduled services for at least 60 days after the termination of a provider group or hospital contract. Consumers receiving previously authorized services would be charged at the original in-network contract rate.

Bills No Longer Being Reported

Bill	Description
AB X1 4 (Wilk, Conway)	Health Care
Bill died since it did not move prior to closure of the Special Session.	Would have made Cal-COBRA inoperative on January 1, 2014, but would have reactivated Cal-COBRA if certain sections of the ACA were to be repealed.

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